

**Status of Start-up Conditions of 2009 Biennium TSEP Projects**  
**As Revised by LFD for Loan Amount Calculations**  
**(as of 8/18/2008)**

Grantee	TSEP Grant Award Amount	Amount of TSEP Funds Committed	Amount of TSEP Funds That Are Not Presently Committed*	Amount of TSEP Funds Without a Contract Initiated*	Contract Initiated	Contract Signed	Approved MGT Plan	Acct System Approved Reporting in Compliance	Other Funds Firmly Committed	Notice to Proceed Issued
Bainville, Town of	\$715,000	\$715,000			✓	✓	✓	✓	✓	✓
Big Sandy, Town of	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
Bigfork Co. Wtr & Sewer Dist	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
Blaine Cnty	\$617,017	\$617,017			✓	✓	✓	✓	✓	✓
Circle, Town of	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
Custer Cnty	\$63,750	\$63,750			✓	✓	✓	✓	✓	✓
Cut Bank, City of	\$550,000	\$550,000			✓	✓	✓	✓	✓	✓
Ekalaka, Town of	\$706,369	\$706,369			✓	✓	✓	✓	✓	✓
Elk Mdws Ranchettes Cnty Wtr Dist	\$410,000	\$410,000			✓	✓	✓	✓	✓	✓
Fergus Cnty	\$238,362	\$238,361			✓	✓	✓	✓	✓	✓
Fort Benton, City of	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
Goodan-Keil Cnty Wtr Dist	\$532,250	\$532,250			✓	✓	✓	✓	✓	✓
Hamilton, City of	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
Harlem, City of	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
Jefferson Cnty	\$295,800	\$295,800			✓	✓	✓	✓	✓	✓
Jordan, Town of	\$700,000	\$700,000			✓	✓	✓	✓	✓	✓
Judith Basin Cnty	\$192,215	\$192,215			✓	✓	✓	✓	✓	✓
Lewis & Clark Cnty	\$596,420	\$596,420			✓	✓	✓	✓	✓	✓
Madison Cnty	\$370,100	\$370,100			✓	✓	✓	✓	✓	✓
North Valley Cnty Wtr & Sewer Dist	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
Panoramic Mtn. Rvr Heights Co. Wtr Dist	\$191,500	\$191,500			✓	✓	✓	✓	✓	✓
Pinesdale, Town of	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
Powell Cnty	\$263,074	\$263,074			✓	✓	✓	✓	✓	✓
Power-Teton Cnty Wtr & Sewer Dist	\$604,286	\$604,286			✓	✓	✓	✓	✓	✓
Red Lodge, City of	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
Shelby, City of	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
StillWtr Cnty	\$407,500	\$407,500			✓	✓	✓	✓	✓	✓
Sunny Meadows Missoula Co. W&S Dist	\$325,000	\$325,000			✓	✓	✓	✓	✓	✓
Superior, Town of	\$600,000	\$600,000			✓	✓	✓	✓	✓	✓
Sweet Grass Cnty	\$151,493	\$151,493			✓	✓	✓	✓	✓	✓
Thompson Falls, City of	\$363,000	\$363,000			✓	✓	✓	✓	✓	✓
Tri Cnty Wtr & Sewer Dist	\$313,500	\$313,500			✓	✓	✓	✓	✓	✓
Whitefish, City of	\$750,000	\$750,000			✓	✓	✓	✓	✓	✓
Yellowstone Cnty	\$97,079	\$97,079			✓	✓	✓	✓	✓	✓
Black Eagle Wtr & Sewer Dist	\$365,000		\$365,000		✓	✓		✓		
Brady Cnty Wtr & Sewer Dist	\$750,000		\$750,000		✓	✓				
Butte-Silver Bow	\$750,000		\$750,000		✓	✓		✓		
Columbia Falls, City of	\$750,000		\$750,000		✓	✓		✓		
Crow Tribe (for Crow Agency)	\$750,000		\$750,000		✓	✓		✓		
Darby, Town of	\$750,000		\$750,000		✓	✓				
Gallatin Cnty (for Hebgen Lake Estates)	\$750,000			\$750,000						
Laurel, City of	\$750,000		\$750,000		✓	✓	✓	✓		
Manhattan, Town of	\$600,000		\$600,000		✓	✓	✓			
Polson, City of	\$750,000		\$750,000		✓	✓		✓		
Rae Wtr & Sewer Dist	\$750,000		\$750,000		✓	✓				
Seeley Lake - Missoula Cnty Wtr Dist	\$750,000		\$750,000		✓	✓				
Sheridan, Town of	\$750,000		\$750,000		✓	✓		✓		
Twin Bridges, Town of	\$750,000		\$750,000		✓	✓		✓		
Whitehall, Town of	\$750,000		\$750,000		✓	✓		✓		
Carter-Chouteau Cnty Wtr & Sewer Dist	\$750,000			\$750,000						
Dayton-Lake Cnty Wtr & Sewer Dist	\$750,000			\$750,000						
Fairfield, Town of	\$750,000		\$750,000		✓	✓		✓		
Loma Cnty Wtr & Sewer Dist	\$750,000		\$750,000		✓	NYS				
Mineral Cnty Saltse Wtr & Sewer Dist	\$390,000			\$390,000						
Neihart, Town of	\$223,000			\$223,000				✓		
Three Forks, City of	(grant was terminated at request of Three Forks)									
<b>Totals</b>	<b>\$31,881,715</b>	<b>\$17,553,714</b>	<b>\$11,465,000</b>	<b>\$2,863,000</b>						

Total Expected TSEP Grant Funding  
**Less:** TSEP Funds Available for Grants  
**Equals:** TSEP Projected Loan  
**Plus:** RRGL Grant  
**Equals:** Total Loan

**\$29,018,714**  
**17,234,588**  
**\$11,784,126**  
**2,200,000**  
**\$13,984,126**

Loan Calculations Based On:  
\$11.8 Million  
  
\$14.0 Million

\*The funds listed in the column may never be committed because start up condition may never be met as required by HB 512, Laws 2007.

Summary: 51 contracts have been initiated for the 56 grantees (information is still needed from grantees for those contracts that have not been initiated); 50 of those contracts have been signed, one contract has been sent to the grantee to be signed.

Revisions made by LFD staff include separating the values in the column titled "Amount of TSEP Funds Without a Contract Initiated" from the column titled "Amount of TSEP Funds That Are Not Presently Committed". The LFD then designated the amount of funds in that column as funds that would not be included in the 2009 biennium TSEP program, and not needed in the amount of the loan, providing the basis for the estimated loan.

The projects associated with the funds included in both the columns titled "Amount of TSEP Funds That Are Not Presently Committed" and "Amount of TSEP Funds Without a Contract Initiated" may or maynot meet start up conditions

## RRGL Grant Status - 2009 Biennium

Rank	Project Sponsor/ Project Name	Recommended Grant Funding	Contract	Funds Contracted	Funds Not Yet Contracted
	<b>31 Project Planning Grants</b> ranging in amounts from \$3,500 to 15,000	\$400,000	Yes	\$400,000	
1	<b>Green Mountain Conservation District</b> Crow Creek Restoration Project	70,559	Yes	70,559	
2	<b>Twin Bridges, Town of</b> Twin Bridges Wastewater System Improvements	100,000	Yes	100,000	
3	<b>Fort Peck Tribes</b> Fort Peck D-4 Drain Water Conservation Improvements	100,000	Yes	100,000	
4	<b>North Powell Conservation District</b> Blackfoot Drought and Water Conservation Project	84,347	Yes	84,347	
5	<b>Bainville, Town of</b> Bainville Wastewater System Improvements	100,000	Yes	100,000	
6	<b>Petrolia Irrigation District</b> Petrolia Irrigation Rehabilitation Project	100,000	Yes	100,000	
7	<b>Montana Department of Natural Resources and Conservation</b> Ackley Lake Dam Rehabilitation	100,000	Yes	100,000	
8	<b>Cut Bank, City of</b> Cut Bank Water System Improvements	100,000	Yes	100,000	
9	<b>Whitehall, Town of</b> Whitehall Wastewater System Improvements	100,000	Yes	100,000	
10	<b>Montana Department of Natural Resources and Conservation</b> East Fork Siphon Replacement and Main Canal Lining Project	100,000	Yes	100,000	
11	<b>Loma County Water and Sewer District</b> Loma Water System Improvements	100,000	Yes	100,000	
12	<b>Panoramic Mountain River Heights County Water District</b> Panoramic Mountain River Heights Water System Improvements	100,000	Yes	100,000	
13	<b>Montana Department of Natural Resources and Conservation</b> Smith Creek Canal Seepage Abatement and Rehabilitation Project	100,000	Yes	100,000	
14	<b>Goodan-Keil County Water District</b> Goodan- Keil Water Improvement Project	100,000	Yes	100,000	
15	<b>Montana Department of Natural Resources and Conservation</b> Middle Creek Dam Automated Instrumentation	100,000	Yes	100,000	
17	<b>Hill County</b> Beaver Creek Dam Seepage Control Berm	100,000	Yes	100,000	
19	<b>Three Forks, City of</b> Three Forks Wastewater System Improvements	100,000	Yes	100,000	
21	<b>Carbon Conservation District</b> Phase I Hydrogeology and Water Balance of the East/West Bench Aquifers	100,000	Yes	100,000	
22	<b>Fergus County Conservation District</b> Upper and Lower Carter Pond Dam Reconstruction	100,000	Yes	100,000	
23	<b>Brady County Water and Sewer District</b> Brady Wastewater System Improvements	100,000	Yes	100,000	
24	<b>Beaverhead Conservation District</b> Big Hole Ditch Improvement Project	100,000	Yes	100,000	

## RRGL Grant Status - 2009 Biennium

Rank	Project Sponsor/ Project Name	Recommended Grant Funding	Contract	Funds Contracted	Funds Not Yet Contracted
25	<b>Superior, Town of</b> Superior Water System Improvements	100,000	Yes	100,000	
26	<b>Sunny Meadows Missoula County Water and Sewer District</b> Sunny Meadows Water System Improvements	100,000	Yes	100,000	
27	<b>Tri County Water and Sewer District</b> Tri County Water System Improvements	100,000	Yes	100,000	
28	<b>Philipsburg, Town of</b> Philipsburg Wastewater System Improvements	100,000	Yes	100,000	
29	<b>Fort Peck Tribes</b> 58 Main Structure Replacement for Water Management	100,000	Yes	100,000	
30	<b>Sanders County</b> Eliminating Failed Septic Systems in Sanders County	100,000	Yes	100,000	
32	<b>Red Lodge, City of</b> Red Lodge Water System Improvements	100,000	Yes	100,000	
33	<b>Elk Meadows Ranchettes County Water District</b> Elk Meadows Water System Improvements	100,000	Yes	100,000	
34	<b>Rae Water and Sewer District</b> Rae Water System Improvements	100,000	Yes	100,000	
35	<b>Stillwater Conservation District</b> Stillwater-Rosebud Water shed, Surface Water/Groundwater Interaction	100,000	Yes	100,000	
36	<b>East Bench Irrigation District</b> East Bench Irrigation District Canal Lining	100,000	Yes	100,000	
39	<b>Yellowstone Conservation District</b> Modeling Aquifer Response to Urban Sprawl, West Billings Area	60,000	Yes	60,000	
41	<b>North Valley County Water and Sewer District</b> North Valley County Water System Improvements	100,000	Yes	100,000	
42	<b>Sheridan, Town of</b> Sheridan Wastewater System Improvements	100,000	Yes	100,000	
43	<b>Neihart, Town of</b> Neihart Water System Improvements	100,000	Yes	100,000	
44	<b>Greenfields Irrigation District</b> Muddy Creek Wastewater and Erosion Reduction Project	100,000	Yes	100,000	
45	<b>Bynum Teton County Water and Sewer District</b> A New Source of Drinking Water for Bynum, Phase 1	100,000	Yes	100,000	
46	<b>Whitefish, City of</b> Whitefish Wastewater System Improvements	100,000	Yes	100,000	
47	<b>Power Teton County Water and Sewer District</b> Power Teton Water System Improvements	100,000	Yes	100,000	
48	<b>Sidney Water Users Irrigation District</b> Sidney Water Users Increasing Irrigation Efficiency Phase 2	100,000	Yes	100,000	
49	<b>Jordan, Town of</b> Jordan Wastewater System Improvements	100,000	Yes	100,000	
51	<b>Seeley Lake Missoula County Water District</b> Seeley Lake Water System Improvements	100,000	Yes	100,000	
52	<b>Manhattan, Town of</b> Manhattan Water System Improvements	100,000	Yes	100,000	
53	<b>Lewis and Clark County</b> Lewis and Clark Fairgrounds, Dunbar Area Water System Improvements	100,000	Yes	100,000	

# RRGL Grant Status - 2009 Biennium

Rank	Project Sponsor/ Project Name	Recommended Grant Funding	Contract	Funds Contracted	Funds Not Yet Contracted
54	<b>Columbia Falls, City of</b> Columbia Falls Wastewater System Improvements	100,000	Yes	100,000	
55	<b>Hamilton, City of</b> Hamilton Wastewater System Improvements	100,000	Yes	100,000	
56	<b>Hysham Irrigation District</b> Hysham Irrigation District Infrastructure Improvement	100,000	Yes	100,000	
57	<b>Shelby, City of</b> Shelby Water System Improvements	100,000	Yes	100,000	
58	<b>Montana Department of Natural Resources and Conservation</b> Community Tree Planting Grants	100,000	Yes	100,000	
59	<b>Ronan, City of</b> Ronan Wastewater system Improvements	100,000	Yes	100,000	
60	<b>Pondera County Conservation District</b> Marias River Watershed Baseline Assessment	100,000	Yes	100,000	
61	<b>Sheridan County</b> Raymond Dam Rehabilitation	100,000	Yes	100,000	
62	<b>Montana Department of Environmental Quality</b> Geothermal Assessment and Outreach Partnership	99,963	Yes	99,963	
63	<b>Thompson Falls, City of</b> Thompson Falls Water System Improvements	100,000	Yes	100,000	
64	<b>Missoula County Lolo RSID 901</b> Lolo Wastewater System Improvements, Phase 2	100,000	Yes	100,000	
66	<b>Pinesdale, Town of</b> Pinesdale Water System Improvements	100,000	Yes	100,000	
67	<b>Ekalaka, Town of</b> Ekalaka Water and Wastewater System Improvements	100,000	Yes	100,000	
68	<b>Sweet Grass Conservation District</b> West Boulder Point of Diversion Rehabilitation Project	44,500	Yes	44,500	
69	<b>Livingston, City of</b> Glass Pulverizer for the City of Livingston	100,000	Yes	100,000	
70	<b>Montana State University</b> Channel Response Assessment for the Upper Blackfoot	100,000	Yes	100,000	
71	<b>Darby, Town of</b> Darby Water System Improvements	100,000	Yes	100,000	
74	<b>Geyser Judith Basin County Water and Sewer District</b> Geyser Water System Improvements	100,000	Yes	100,000	
75	<b>Black Eagle Water and Sewer District</b> Black Eagle Water System Improvements	100,000	Yes	100,000	
76	<b>Glacier County Conservation District</b> Marias River Bridge Road Stabilization	100,000	Yes	100,000	
77	<b>Buffalo Rapids Project, District 2</b> Open Lateral Conversion to Pipeline	100,000	Yes	100,000	
78	<b>Buffalo Rapids Project, District 1</b> Open Lateral 34.5 Conversion to Pipeline	100,000	Yes	100,000	
16	<b>Polson, City of</b> Polson Water System Improvements	100,000			100,000
18	<b>Gallatin County, Hebgen Lake Estates RID 322</b> Hebgen Lake Wastewater System Improvements	100,000			100,000
20	<b>Mineral County Saltese Water and Sewer District</b> Saltese Wastewater System Improvements	100,000			100,000
31	<b>Malta Irrigation District</b> Dodson North Canal Regulating Reservoir	100,000			100,000

RRGL Grant Status - 2009 Biennium					
Rank	Project Sponsor/ Project Name	Recommended Grant Funding	Contract	Funds Contracted	Funds Not Yet Contracted
37	<b>Dayton Lake County Water and Sewer District</b> Dayton Wastewater System Improvements	100,000			100,000
38	<b>Milk River Irrigation Project Joint Board of Control</b> Saint Mary Canal, Halls Coulee Drop 3, Plunge Pool Concrete Repair	100,000			100,000
40	<b>Ravalli County</b> Improved Resource Protection, Floodplain Hazard Mapping	100,000			100,000
50	<b>Beaverhead County</b> Blacktail Deer Creek Flood Mitigation Project	100,000			100,000
65	<b>Chester Irrigation District</b> Chester Irrigation Project: Phase 2, Water Service Contract Application	100,000			100,000
72	<b>Sunburst, Town of</b> Sunburst Backup Water Supply Wells	99,236			99,236
73	<b>Sunset Irrigation District</b> Sunset Irrigation District Gravity Flow Group Irrigation Pipelines	100,000		0	100,000
		\$7,658,605		\$6,559,369	\$1,099,236

Prepared by DNRC, CRDD Division, RRGL personnel.  
Updated 8/13/2008, Cathy Duncan, LFD

## **TSEP Funds Available for Cash Program (biennial), With \$14.0M Loan**

		Interest & Earnings	*Beginning Fund Balance	TSEP Loan Proceeds	Emergency Grants	Pre-Engin Grants	DOC Admin Expenses	DNRC Admin	Debt Service	Available for Grants	**Authorized Grants Funded	Balance
A	05	\$16,831,045	\$303,000		(\$100,000)	(\$425,000)	(\$812,305)	(\$54,000)		\$15,742,740	(\$15,653,331)	\$89,409
A	07	17,263,398	164,392		(100,000)	(600,000)	(1,033,630)	(56,000)		15,638,160	(15,968,253)	(330,093)
F	09	18,439,000	635,666	14,000,000	(100,000)	(600,000)	(1,084,078)	(56,000)		31,234,588	(31,218,715)	15,873
New Grant #												
F	11	21,247,000	15,873		(100,000)	(600,000)	(1,127,659)	0	(2,857,079)	16,578,135	22	
F	13	22,769,830	78,135		(150,000)	(600,000)	(1,173,555)	0	(2,857,079)	18,067,332	24	
F	15	24,764,020	67,332		(150,000)	(720,000)	(1,221,067)	0	(2,857,079)	19,883,206	26	
F	17	26,259,662	383,206		(150,000)	(720,000)	(1,269,452)	0	(2,857,079)	21,646,337	28	
F	19	26,259,662	646,337		(150,000)	(864,000)	(1,320,551)	0	(2,857,079)	21,714,370	28	
F	21	26,259,662	714,370		(150,000)	(864,000)	(1,373,707)	0	(2,857,079)	21,729,246	28	
F	23	26,259,662	729,246		(150,000)	(1,036,800)	(1,429,003)	0	(2,857,079)	21,516,027	28	
F	25	26,259,662	516,027		(150,000)	(1,036,800)	(1,486,524)	0	(1,430,268)	22,672,098	30	
F	27	26,259,662	172,098		(150,000)	(1,244,160)	(1,546,361)	0	0	23,491,239	31	

\* Beginning fund balances include terminated projects.

\*\* Authorized Grants Funded in the 2009 biennium includes a \$2.2 million grant to RRGL.

### **Assumptions**

- 1 **NEW:** The interest and earnings projection for the TSEP in the 2011 biennium are preliminary estimates developed by the LFD.
- 2 Coal severance tax deposits into the TSEP trust will remain constant at the annual average of the 2009 biennium.
- 3 Interest earned on the trust fund bond pool will remain constant at 5.5%. (factor used to calculate the interest and earnings available to the TSEP program)
- 4 Emergency Grants will increase by \$50,000 in the 2013 biennium.
- 5 Preliminary Engineering Grants will increase by 20% each two biennia.
- 6 Administrative Costs will increase at the same rate as the CPI, per the projections of the Global Insight Econometric Forecasting Service.
- 7 DNRC administrative expenses will no longer be paid from the TSEP grant fund beginning in the 2011 biennium.
- 8 The amount of the loan from the BOI is \$14.0 million.
- 9 The loan will be funded through the coal severance tax permanent fund.
- 10 \$11.8 million from the loan will fund TSEP grants that have met the conditions outlined in HB 512.
- 11 \$2.2 million of the loan amount will fund the grant to the Renewable Resource Grant and Loan program, for local government infrastructure grants.
- 12 The entire loan amount of \$14.0 million is borrowed on June 30, 2008.
- 13 Annual payments are \$1,428,539.26, and are paid on December 31 and June 30 of each year.
- 14 The debt service associated with the RRGL grant is equal to approximately \$224,485 annually.
- 15 Debt service payments will begin December, 2009.
- 16 The interest on the BOI loan will be 6.0% annually, as estimated by the BOI.
- 17 The BOI loan will have a life of 15 years.
- 18 New grants are all \$750,000.

### **Disclaimers:**

This analysis of future earnings available for the TSEP projects is based on a large number of assumptions.

Consequently, if any of the assumptions materialize different from the assumption, the amount of funds available for grants will be different.

This projection is created from a group of assumptions made by the Department of Commerce, the Department of Natural Resources, and the LFD.

Projections such as the amount of grants, for each of the TSEP and RRGL programs, will become more accurate as time nears June 30, 2009.

All assumptions are subject to change.



## **TSEP Funds Available for Cash Program (biennial) With \$11.8M Loan**

		Interest & Earnings	*Beginning Fund Balance	TSEP Loan Proceeds	Emergency Grants	Pre-Engin Grants	DOC Admin Expenses	DNRC Admin	Debt Service	Available for Grants	**Authorized Grants Funded	Balance
A	05	\$16,831,045	\$303,000		(\$100,000)	(\$425,000)	(\$812,305)	(\$54,000)		\$15,742,740	(\$15,653,331)	\$89,409
A	07	17,263,398	164,392		(100,000)	(600,000)	(1,033,630)	(56,000)		15,638,160	(15,968,253)	(330,093)
F	09	18,439,000	635,666	11,800,000	(100,000)	(600,000)	(1,084,078)	(56,000)		29,034,588	(29,018,715)	15,873
New Grant #												
F	11	21,247,000	15,873		(100,000)	(600,000)	(1,127,659)	0	(2,408,109)	17,027,105	22	
F	13	22,769,830	527,105		(150,000)	(600,000)	(1,173,555)	0	(2,408,109)	18,965,271	25	
F	15	24,764,020	215,271		(150,000)	(720,000)	(1,221,067)	0	(2,408,109)	20,480,114	27	
F	17	26,259,662	230,114		(150,000)	(720,000)	(1,269,452)	0	(2,408,109)	21,942,215	29	
F	19	26,259,662	192,215		(150,000)	(864,000)	(1,320,551)	0	(2,408,109)	21,709,217	28	
F	21	26,259,662	709,217		(150,000)	(864,000)	(1,373,707)	0	(2,408,109)	22,173,063	29	
F	23	26,259,662	423,063		(150,000)	(1,036,800)	(1,429,003)	0	(2,408,109)	21,658,813	28	
F	25	26,259,662	658,813		(150,000)	(1,036,800)	(1,486,524)	0	(1,205,511)	23,039,640	30	
F	27	26,259,662	539,640		(150,000)	(1,244,160)	(1,546,361)	0	0	23,858,782	31	

\* Beginning fund balances include terminated projects.

\*\* Authorized Grants Funded in the 2009 biennium includes a \$2.2 million grant to RRGL.

### **Assumptions**

- 1 **NEW:** The interest and earnings projection for the TSEP in the 2011 biennium are preliminary estimates developed by the LFD.
- 2 Coal severance tax deposits into the TSEP trust will remain constant at the annual average of the 2009 biennium.
- 3 Interest earned on the trust fund bond pool will remain constant at 5.5%. (factor used to calculate the interest and earnings available to the TSEP program)
- 4 Emergency Grants will increase by \$50,000 in the 2013 biennium.
- 5 Preliminary Engineering Grants will increase by 20% each two biennia.
- 6 Administrative Costs will increase at the same rate as the CPI, per the projections of the Global Insight Econometric Forecasting Service.
- 7 DNRC administrative expenses will no longer be paid from the TSEP grant fund beginning in the 2011 biennium.
- 8 The amount of the loan from the BOI is \$14.0 million.
- 9 The loan will be funded through the coal severance tax permanent fund.
- 10 DNRC will not need the \$2.2M grant due to excess revenues in the Natural Resource Projects Account.
- 11 \$11.8 million from the loan will fund TSEP grants that have met the conditions outlined in HB 512.
- 12 The entire loan amount of \$11.8 million is borrowed on June 30, 2008.
- 13 Annual payments are \$1,204,055, and are paid on December 31 and June 30 of each year.
- 14 Debt service payments will begin December, 2009.
- 15 The interest on the BOI loan will be 6.0% annually, as estimated by the BOI.
- 16 The BOI loan will have a life of 15 years.
- 18 New grants are all \$750,000.

### **Disclaimers:**

This analysis of future earnings available for the TSEP projects is based on a large number of assumptions.

Consequently, if any of the assumptions materialize different from the assumption, the amount of funds available for grants will be different.

This projection is created from a group of assumptions made by the Department of Commerce, the Department of Natural Resources, and the LFD.

Projections such as the amount of grants, for each of the TSEP and RRGL programs, will become more accurate as time nears June 30, 2009.

All assumptions are subject to change.



## **TSEP Funds Available for Cash Program (biennial), With \$14.0M Loan, With FY 2011 Pay Off**

	Bi	Interest & Earnings	*Beginning Fund Balance	TSEP Loan Proceeds	Emergency Grants	Pre-Engin Grants	DOC Admin Expenses	DNRC Admin	Debt Service	Available for Grants	**Authorized Grants Funded	Balance
A	05	\$16,831,045	\$303,000		(\$100,000)	(\$425,000)	(\$812,305)	(\$54,000)		\$15,742,740	(\$15,653,331)	\$89,409
A	07	17,263,398	164,392		(100,000)	(600,000)	(1,033,630)	(56,000)		15,638,160	(15,968,253)	(330,093)
F	09	18,439,000	635,666	14,000,000	(100,000)	(600,000)	(1,084,078)	(56,000)		31,234,588	(31,218,715)	15,873
											<u>New Grant #</u>	
F	11	21,247,000	15,873		(100,000)	(600,000)	(1,127,659)	0	(15,066,163)	4,369,051	5	
F	13	22,769,830	619,051		(150,000)	(600,000)	(1,173,555)	0	0	21,465,325	28	
F	15	24,764,020	465,325		(150,000)	(720,000)	(1,221,067)	0	0	23,138,278	30	
F	17	26,259,662	638,278		(150,000)	(720,000)	(1,269,452)	0	0	24,758,488	33	
F	19	26,259,662	8,488		(150,000)	(864,000)	(1,320,551)	0	0	23,933,599	31	
F	21	26,259,662	683,599		(150,000)	(864,000)	(1,373,707)	0	0	24,555,554	32	
F	23	26,259,662	555,554		(150,000)	(1,036,800)	(1,429,003)	0	0	24,199,413	32	
F	25	26,259,662	199,413		(150,000)	(1,036,800)	(1,486,524)	0	0	23,785,752	31	
F	27	26,259,662	535,752		(150,000)	(1,244,160)	(1,546,361)	0	0	23,854,893	32	

\* Beginning fund balances include terminated projects.

\*\* Authorized Grants Funded in the 2009 biennium includes a \$2.2 million grant to RRGL.

### **Assumptions**

- 1 **NEW:** The interest and earnings projection for the TSEP in the 2011 biennium are preliminary estimates developed by the LFD.
- 2 Coal severance tax deposits into the TSEP trust will remain constant at the annual average of the 2009 biennium.
- 3 Interest earned on the trust fund bond pool will remain constant at 5.5%. (factor used to calculate the interest and earnings available to the TSEP program)
- 4 Emergency Grants will increase by \$50,000 in the 2013 biennium.
- 5 Preliminary Engineering Grants will increase by 20% each two biennia.
- 6 Administrative Costs will increase at the same rate as the CPI, per the projections of the Global Insight Econometric Forecasting Service.
- 7 DNRC administrative expenses will no longer be paid from the TSEP grant fund beginning in the 2011 biennium.
- 8 The amount of the loan from the BOI is \$14.0 million.
- 9 The loan will be funded through the coal severance tax permanent fund.
- 10 \$11.8 million from the loan will fund TSEP grants that have met the conditions outlined in HB 512.
- 11 \$2.2 million of the loan amount will fund the grant to the Renewable Resource Grant and Loan program, for local government infrastructure grants.
- 12 The entire loan amount of \$14.0 million is borrowed on June 30, 2008.
- 13 Annual payments are \$7,532,757.27, and are paid on December 31 and June 30 of each year.
- 14 Debt service payments will begin December, 2009.
- 15 The interest on the BOI loan will be 6.0% annually, as estimated by the BOI.
- 16 The BOI loan will have a life of 2 years.
- 17 Payment of the entire loan in the 2011 biennium will allow the funding of approximately 5 new grants.
- 18 New grants are all \$750,000.

### **Disclaimers:**

This analysis of future earnings available for the TSEP projects is based on a large number of assumptions.

Consequently, if any of the assumptions materialize different from the assumption, the amount of funds available for grants will be different.

This projection is created from a group of assumptions made by the Department of Commerce, the Department of Natural Resources, and the LFD.

Projections such as the amount of grants, for each of the TSEP and RRGL programs, will become more accurate as time nears June 30, 2009.

All assumptions are subject to change.

## **TSEP Funds Available for Cash Program (biennial), With \$14.0M Loan, With FY 2013 Pay Off**

		Interest & Earnings	*Beginning Fund Balance	TSEP Loan Proceeds	Emergency Grants	Pre-Engin Grants	DOC Admin Expenses	DNRC Admin	Debt Service	Available for Grants	**Authorized Grants Funded	Balance
A	05	\$16,831,045	\$303,000		(\$100,000)	(\$425,000)	(\$812,305)	(\$54,000)		\$15,742,740	(\$15,653,331)	\$89,409
A	07	17,263,398	164,392		(100,000)	(600,000)	(1,033,630)	(56,000)		15,638,160	(15,968,253)	(330,093)
F	09	18,439,000	635,666	14,000,000	(100,000)	(600,000)	(1,084,078)	(56,000)		31,234,588	(31,218,715)	15,873
New Grant #												
F	11	21,247,000	15,873		(100,000)	(600,000)	(1,127,659)	0	(7,977,558)	11,457,656	15	
F	13	22,769,830	207,656		(150,000)	(600,000)	(1,173,555)	0	(7,978,457)	13,075,474	17	
F	15	24,764,020	325,474		(150,000)	(720,000)	(1,221,067)	0	0	22,998,426	30	
F	17	26,259,662	498,426		(150,000)	(720,000)	(1,269,452)	0	0	24,618,637	32	
F	19	26,259,662	618,637		(150,000)	(864,000)	(1,320,551)	0	0	24,543,748	32	
F	21	26,259,662	543,748		(150,000)	(864,000)	(1,373,707)	0	0	24,415,703	32	
F	23	26,259,662	415,703		(150,000)	(1,036,800)	(1,429,003)	0	0	24,059,562	32	
F	25	26,259,662	59,562		(150,000)	(1,036,800)	(1,486,524)	0	0	23,645,900	31	
F	27	26,259,662	395,900		(150,000)	(1,244,160)	(1,546,361)	0	0	23,715,041	32	

\* Beginning fund balances include terminated projects.

\*\* Authorized Grants Funded in the 2009 biennium includes a \$2.2 million grant to RRGL.

### **Assumptions**

- 1 **NEW:** The interest and earnings projection for the TSEP in the 2011 biennium are preliminary estimates developed by the LFD.
- 2 Coal severance tax deposits into the TSEP trust will remain constant at the annual average of the 2009 biennium.
- 3 Interest earned on the trust fund bond pool will remain constant at 5.5%. (factor used to calculate the interest and earnings available to the TSEP program)
- 4 Emergency Grants will increase by \$50,000 in the 2013 biennium.
- 5 Preliminary Engineering Grants will increase by 20% each two biennia.
- 6 Administrative Costs will increase at the same rate as the CPI, per the projections of the Global Insight Econometric Forecasting Service.
- 7 DNRC administrative expenses will no longer be paid from the TSEP grant fund beginning in the 2011 biennium.
- 8 The amount of the loan from the BOI is \$14.0 million.
- 9 The loan will be funded through the coal severance tax permanent fund.
- 10 \$11.8 million from the loan will fund TSEP grants that have met the conditions outlined in HB 512.
- 11 \$2.2 million of the loan amount will fund the grant to the Renewable Resource Grant and Loan program, for local government infrastructure grants.
- 12 The entire loan amount of \$14.0 million is borrowed on June 30, 2008.
- 13 Annual payments are \$3,988,778.89 and are paid on December 31 and June 30 of each year.
- 14 Debt service payments will begin December, 2009.
- 15 The interest on the BOI loan will be 6.0% annually, as estimated by the BOI.
- 16 The BOI loan will have a life of 4 years.
- 17 Payment of the entire loan in the 2011 and 2013 biennia will allow the funding of aprox. 15 new grants in the 2011 biennium and 17 new grants in the 2013 biennium.
- 18 New grants are all \$750,000.

### **Disclaimers:**

This analysis of future earnings available for the TSEP projects is based on a large number of assumptions.

Consequently, if any of the assumptions materialize different from the assumption, the amount of funds available for grants will be different.

This projection is created from a group of assumptions made by the Department of Commerce, the Department of Natural Resources, and the LFD.

Projections such as the amount of grants, for each of the TSEP and RRGL programs, will become more accurate as time nears June 30, 2009.

All assumptions are subject to change.

## **TSEP Funds Available for Cash Program (biennial), With \$14.0M Loan, With FY 2015 Pay Off**

		Interest & Earnings	*Beginning Fund Balance	TSEP Loan Proceeds	Emergency Grants	Pre-Engin Grants	DOC Admin Expenses	DNRC Admin	Debt Service	Available for Grants	**Authorized Grants Funded	Balance
A	05	\$16,831,045	\$303,000		(\$100,000)	(\$425,000)	(\$812,305)	(\$54,000)		\$15,742,740	(\$15,653,331)	\$89,409
A	07	17,263,398	164,392		(100,000)	(600,000)	(1,033,630)	(56,000)		15,638,160	(15,968,253)	(330,093)
F	09	18,439,000	635,666	14,000,000	(100,000)	(600,000)	(1,084,078)	(56,000)		31,234,588	(31,218,715)	15,873
New Grant #												
F	11	21,247,000	15,873		(100,000)	(600,000)	(1,127,659)	0	(5,625,877)	13,809,337	18	
F	13	22,769,830	207,656		(150,000)	(600,000)	(1,173,555)	0	(5,625,877)	15,428,054	20	
F	15	24,764,020	428,054		(150,000)	(720,000)	(1,221,067)	0	(5,626,831)	17,474,175	23	
F	17	26,259,662	224,175		(150,000)	(720,000)	(1,269,452)	0	0	24,344,385	32	
F	19	26,259,662	344,385		(150,000)	(864,000)	(1,320,551)	0	0	24,269,496	32	
F	21	26,259,662	269,496		(150,000)	(864,000)	(1,373,707)	0	0	24,141,452	32	
F	23	26,259,662	141,452		(150,000)	(1,036,800)	(1,429,003)	0	0	23,785,311	31	
F	25	26,259,662	535,311		(150,000)	(1,036,800)	(1,486,524)	0	0	24,121,649	32	
F	27	26,259,662	121,649		(150,000)	(1,244,160)	(1,546,361)	0	0	23,440,790	31	

\* Beginning fund balances include terminated projects.

\*\* Authorized Grants Funded in the 2009 biennium includes a \$2.2 million grant to RRGL.

### **Assumptions**

- 1 **NEW:** The interest and earnings projection for the TSEP in the 2011 biennium are preliminary estimates developed by the LFD.
- 2 Coal severance tax deposits into the TSEP trust will remain constant at the annual average of the 2009 biennium.
- 3 Interest earned on the trust fund bond pool will remain constant at 5.5%. (factor used to calculate the interest and earnings available to the TSEP program)
- 4 Emergency Grants will increase by \$50,000 in the 2013 biennium.
- 5 Preliminary Engineering Grants will increase by 20% each two biennia.
- 6 Administrative Costs will increase at the same rate as the CPI, per the projections of the Global Insight Econometric Forecasting Service.
- 7 DNRC administrative expenses will no longer be paid from the TSEP grant fund beginning in the 2011 biennium.
- 8 The amount of the loan from the BOI is \$14.0 million.
- 9 The loan will be funded through the coal severance tax permanent fund.
- 10 \$11.8 million from the loan will fund TSEP grants that have met the conditions outlined in HB 512.
- 11 \$2.2 million of the loan amount will fund the grant to the Renewable Resource Grant and Loan program, for local government infrastructure grants.
- 12 The entire loan amount of \$14.0 million is borrowed on June 30, 2008.
- 13 Annual payments are \$2,812,938.39 and are paid on December 31 and June 30 of each year.
- 14 Debt service payments will begin December, 2009.
- 15 The interest on the BOI loan will be 6.0% annually, as estimated by the BOI.
- 16 The BOI loan will have a life of 6 years.
- 17 Payoff loan in the 2011, 2013, 2015 biennia allows funding 18 new grants in the 2011 bien., 20 new grants in the 2013 bien., and 23 new grants in the 2015 bien.
- 18 New grants are all \$750,000.

### **Disclaimers:**

This analysis of future earnings available for the TSEP projects is based on a large number of assumptions.

Consequently, if any of the assumptions materialize different from the assumption, the amount of funds available for grants will be different.

This projection is created from a group of assumptions made by the Department of Commerce, the Department of Natural Resources, and the LFD.

Projections such as the amount of grants, for each of the TSEP and RRGL programs, will become more accurate as time nears June 30, 2009.

All assumptions are subject to change.